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OUTFRONT Media, Inc. (OUT)

J.P. Morgan Global, Technology, Media, and Communications Conference

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CORPORATE PARTICIPANTS

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

OTHER PARTICIPANTS

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

MANAGEMENT DISCUSSION SECTION

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Pleased to welcome Jeremy Male, Chairman and CEO of OUTFRONT Media to the JPMorgan TMC Conference. Jeremy has been CEO since September 2013 and prior to that spent 13 years as the CEO of UK, Northern Europe, and Australia for JCDecaux. Thanks so much for coming today.

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

Thanks, Alexia. Good to be here.

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QUESTION AND ANSWER SECTION

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

I thought – let's just jump right into your stellar performance that you've had recently. It's been very strong the last several quarters, with notable improvement in advertising growth. I really would love to sort of dig into what really has changed. Is it the transit contracts you've won, now really delivering? Is it the digitization or simply the appreciation by advertisers that out-of-home is really working? Maybe you could elaborate on all those fronts, whatever's working there I may have missed.

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

Okay. Thank you, and thanks for the sentiment and the question. Before starting, just to refer everyone to our Safe Harbor statement on our website regarding forward-looking statements, et cetera.

So, I guess the first thing is that actually the out-of-home industry is doing really nicely. Out-of-home was up in the U.S. 7% in Q4, which is the fastest rate of growth for the industry as a whole since, I think, 2007-2008. So, really positive, and it's not just a U.S. phenomenon.

Having spent quite a lot of time internationally lately, it seems that there are most markets around the world out-of-home is doing well. So, if we sort of dig in perhaps a little bit more detail as to why and then think about it from the point – from the context of OUTFRONT. For the last three years, our local business has been doing particularly well. We're up sort of mid-single digits in in 2017, same for 2018, actually a little bit stronger than that. And then, obviously, really strong in Q1 this year, the fastest rate of growth that we've experienced for a while at 12%.

So, we've had that underlying in the business for three years. But what was more difficult for us if we go back to 2017 and the first half of 2018 was actually national business. And national business was just – it was a drag on our business for around sort of 18 months or so.

So, if we then say, okay, well, what's changed with regards to the national business, I think there's a couple of things going on. I think the first thing is that I do think that there's a reappraisal and a re-appreciation of everything that is top of funnel rather than just bottom of the funnel. It just seems that suddenly brand building is important to advertisers again. And also, brand building, if we like, using out-of-home that then works so well with online and digital and mobile. So, it's – seen now, I think, as a very integral piece of media campaigns.

I think at the margin, some of the negativity that we've seen in that sort of online-type world in terms of sort of product placement issues and some of fraud issues and brand safety, et cetera, I think the margin that's just had some sort of positive impact, because what's really changed our trajectory has been national going from sort of flattish in the first half of 2018 to, in the second half being – contributing to – in total sort of around about 8% growth in the final six months of the year. We came out of the gate strongly and we expect national to continue strong.

So, then when you sort dig further in, what else is going on? We're undoubtedly benefiting from the digital investments that we're making. Our digital revenues were up, I think, 28% in the final quarter of last year, and we're up around sort of 20% again in the first quarter of this year. And that's digital billboards that we're building

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out. And it's also particularly pronounced in our transit business where we've been building out here in Boston. Those of you that have the opportunity to go down on the T, and you'll see all of our signage and all, its glory, but also the investments that we've been making on the MTA.

So, they are fueling growth in and of itself on digital, but it does seem to be also having a halo effect on the rest of our transit business right now, because that business is super strong. I think we are executing well from – our sales force is executing well. I think our message is resonating with local advertisers where we're taking a much more consultative sales approach rather than just being, hey, you're the – we're the guys that sell the sign to Joe's Mufflers. We're much more about, okay, let's talk to you about your local media, how we can work with mobile, how we can leverage your campaign on social. As I said, it's a message that's resonating. We've also added to our national sales force. I think, that's helping us grow there by far more and targeted to getting up the chain, speaking to the major agencies and clients directly.

I guess the final point I would say is that, for a long time, we've set our store by saying actually we think big markets where we want to be for the future, those top 20 DMAs. We think that increasingly the top 20 DMAs will be a much bigger share of GDP growth across – and that's not just a U.S. thing, I think that's a worldwide thing. And we also believe that national advertisers are still under-disposed to out-of-home here in the U.S. The top 200 advertisers only spend 2% of their dollars out-of-home and that compares to a world average of near 7%.

So, we're under – national advertiser is under-disposed to us. We think that national advertisers will be growing fastest and want to be spending in those top 20 DMAs. So, that's a long answer to the question, but I think that's really why we've been seeing such good growth over the last three or four quarters.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

Have you seen the – some of your national spending, if not all, that does come from the big global advertising agencies? Have you seen maybe a shift in how the ad agencies have viewed the medium sort of maybe warming up to it better or is it really driven by the advertiser?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

I think it's a combination. Around 45% of our business is national and that's the way we sort of classify that is that spend is coming from those majors. So, it's coming from the Omnicom's, the IPGs and the WPPs and the Dentsu's, et cetera. And quite where – the sort of the decision is made, I mean, it's made between the ad agency and the client, if you like, as a recommendation.

And I just think that generally, that is to say there is a greater disposal to the benefits of out-of-home and what it can do for brands. We then take quite a lot of money that is effectively direct. So, if you think of some of the Casper's or Seamless, we some have great relationships with other DTC brands that are direct as well. We don't classify them as national, but they're very important part of what we classify as our local business.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

Earlier today, we spoke to Sean at Lamar and he basically also said that he's seeing bigger growth in the bigger markets. And I asked him if that's a permanent shift and would that change his longer-term outlook, and he says, it tends to go in cycles where you have these. Well, national in general tends to be a bit more cyclical particularly

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for Lamar. But he says that he sees it more cyclical at this point. It sounds like you see it more as a permanent change given the client behavior you're seeing.

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.
A

Well, permanent is a very long-term, isn't it?

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC
Q

Right.

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.
A

But I...

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC
Q

Sustainable.

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.
A

Yeah. I really think that it will be sustainable. It's absolutely fair for Sean to say that over time, when you look at national, national has been more volatile coming in and out of out-of-home no doubt at all. So, if you look to Lamar's business, the highs have maybe been not as high as ours, but the lows haven't been as low either. They have a much smaller delta if you look back over time in terms of the sort of growth chart.

But as I say, right now, we seem to be in the right place and where we're putting the investments, I mean, New York and LA for us are 40% of our business, just those two markets. And the growth that was coming out of those markets is terrific both locally and nationally.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC
Q

Okay. I just want to dissect into the advertising market a little bit. I know you touched on it already. But starting with the billboards, I guess, what's driving the strong growth in local? Are there certain categories you're seeing out here than others?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.
A

Well, if we take – if we look at our categories generally across the business, last quarter and indeed on a trailing 12, professional services had been very big for us. It must be one of our biggest growth categories and that's actually principally driven by our local advertisers and that's sort of local services, attorneys, et cetera, in markets. Financial service has been a significant grower for us and that's mostly about national advertiser, national brand. And then, tech has remained strong for us throughout.

So, when we – in local markets, when we're going out and pitching, for the most part, we're pitching against the Google's and Facebook's. So, it's less about local TV and local radio, local press. And so, it's really coming up

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with a sales pitch, if you like, that feels today and it feels relevant. So, being able to go to a local advertiser and saying, look, we'll work with you in terms of what are you doing in mobile? How can we overlay, put a mobile overlay on this billboard campaign that we're doing? Let's find it, let's geofence those boards for you, so that every time somebody breaks the geofence with their cell, they're going to get a secondary message. They're going to be retargeted on their cell phone in addition to billboard.

How can we work with a social influencer? Who would be really important, if you like, that we could sort of work with to see if we can really build your campaign up on social, really go market it and add on CPMs or few views that you never would have experienced from just buying a board. So, that message really seems to be resonating locally.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

And when you look at geographies, is it more through the large markets are doing well or is there one maybe region doing particularly better than others?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

So, in general, certainly particularly in Q1, it was bigger markets in general across the board, but if you did have to sort of dive in and say what markets are really on fire, the West Coast for us is really very strong right now. So, I'll just say, not alone, but that would be probably the standout region in Q1.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

And there we saw some celebrity ads. Is that in the West Coast?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

There's always some celebrity ads on the West Coast, but it's interesting because there, you have the Netflix interest in that market and obviously there acquired some boards on Sunset Strip. And even just Netflix taking out that inventory from the market, it's sort of – it's hardened rates in the rest of West Hollywood and all of that at the margin is just generally beneficial for us I think.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

And then, just by staying on billboards and the local, you sound to continue a very good visibility in that side of the business, because it's booked out so far in advance. Is that fair?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

Yeah. That's fair. We've got enough visibility to have enabled us to raise the FFO guidance for the year. As I look in now, I have about 60% of what we wrote last year in Q3 already on books probably closer to 40% for Q4, but that's enough generally, that's enough visibility for us to be able to raise that guidance. Look, it's fair to say and I think I said it on the call a couple of weeks back, we know that we've got some tougher comps that we're up against in the latter part of the year compared to the first half, but we feel good.

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Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

I know you've said in the past that you don't see any political money coming into your business. I think Lamar does, but obviously their mix and their markets are a bit different. Do you think even 2020 was such a crazy potentially political year, you won't see any political revenue?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

Alexia, I doubt it. We can't take political in all of our municipality contracts. That's all the transit business. And for the most part, our business is all done in the larger markets where there hasn't been a change of political color within those markets for a long time. So, I suspect that we will not benefit directly. I do think that there's an indirect benefit to a hardening of the media market in total.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

Right.

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

You know that we can enjoy the kind of the backwash off, but I don't suppose we'll see any real direct benefit.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

So, jumping a bit to the digital billboard conversions, you've enjoyed some great growth in the transition from traditional billboards to digital. I guess, have you gotten a sense that you're starting to capture more of the digital advertising pie?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

So, at the moment, digital has been certainly a big driver for us in both billboards and transit. And in the billboard business, we're trying to ramp up the rate of growth in terms of converting digital boards. We've been at about 100 year. We'd like to nudge that up towards 150 if we can. The gating factor there is a getting the zoning permit, the permissions, the permits to convert to digital; and secondarily, just making sure that we're building in markets and in places where we're not going to eat our own lunch. Just because if you put more supply into a market, maybe that takes away from your analog board.

And look, we'll will keep building out. And right now, if you said round numbers, our digital revenues in total in a bit across transit and billboard around 20%. We're comparing that with markets where now certainly UK market is now 50% digital. We're actually a little bit behind the U.S. market, we think sort of somewhere between 25% and 30%. So, we're a bit behind that. So we've got a great runway ahead, we think. And there's two pieces to that. One is the digital hardware that I've just talked about which is the signs that we're putting into the transit systems or converting a digital billboard.

What we haven't really done yet, I mean, we've done it at the margin, and Lamar talked about taking in now a handful of millions of dollars in a much more programmatic automated way. We're kind of in the same boat. It's still a – it's like a handful of million dollars. But I think that as we overlay a more automated process in terms of the

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buying process that infusing the buy being able to automate that by infusing it with insight and data, having then the ability to, with a digital board to be able to push the content down in a much more, "programmatic or automated way." I think that that is going to add another layer of growth onto this industry. And in a way, I'd love it to be sooner, but the great thing about our business is that the growth we're seeing now is, for the most part, it's about what out-of-home has always done and that's just another future opportunity to enjoy as we keep investing in it and frankly, as we get better used to trading our medium in that way.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

Just staying on this topic for a bit. I mean as you'd mentioned, you're a little bit behind the U.S. peers in terms of the conversion. I think you started a little bit after they did. They are still obviously very excited about the opportunity. They've also cited how versus the rest of the world the U.S. is still well below. So they're suggesting there's a lot more opportunity ahead. I think, in general, the return on investments has been very strong and very encouraging. Is there – I know there's some different regulatory rules in different markets, but is there any reason that we shouldn't just read this into sort of saying you have even more opportunity ahead of you because you haven't quite gotten where everybody else has gotten, so therefore the road is even greener?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

I think it probably is, yeah. We got out of the gate slow because under the previous ownership of the business, the investments weren't made into the out-of-home industry, so into the outdoor business. So, yeah, I think our runway is potentially a little more exciting than the rest of the industry, but as I say, the industry as a whole has still got a great runway, I believe.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

Do you have any guess of where is the cap? Is it 50% they see in the rest the world? Is at lower or we won't know till we kind of hit it?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

I think it's a little difficult to say, but I wouldn't be at all surprised if the U.S. got to 50%, okay, over the coming medium term whatever. You define medium as maybe, I don't know, five, six, seven years, something like that.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

And the fact that your competitors or some of your peers are maybe further along, that doesn't allow them to take a bigger bite at the apple in the sense there's so much opportunity, doesn't – obviously some markets you don't even overlap in, so.

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

I think that's the point. We all have our relative strengths of inventory in markets and we have such a great platform in, we think, a number of markets where advertisers want and need to be that I certainly don't – I feel that we've got fabulous inventory and we have this wonderful transit business. 80% of our top 100 customers buy both transit from us and billboard. And the great thing about transit is that you've either got it or you haven't. So if you

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want to reach the commuter audience in New York, we've got that platform. It's only us that can really enable you to do that.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC
Q

I mean you touched on programmatic, but I do want to get to the transit business in a minute. But you touched on programmatic, something you're just testing at this point but you think might be promising?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.
A

So for us, programmatic typically implies that there's a real-time bid mechanism in there somewhere. So, I believe that most of what we end up doing in a more automated way will actually be more like a private marketplace. So probably we'll now have real-time bidding piece in it. So we see that impacting in two ways. One, we see us being able to put selective inventory on other people's platforms which is what we're doing today, and this town would be an example of that, for example, where we're on their platform, but also we are very intent on having our own platform that will be end to end in terms of that automated ability to trade in an automated way.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC
Q

So moving to the transit business, you guys have done a tremendous – you've seen tremendous growth the last few years in terms of winning new contracts, and of course, renewing the MTA. I guess how do you view the broader transit portfolio right now in the U.S.?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.
A

So, right now, we have a strong position in the Northeast with Boston, New York, and Washington. Pretty good as we move further south with Atlanta and Miami. Then on the West Coast, we have San Francisco, we have the buses in L.A. The only transit contract of any substance that we sort of have interest in, is Chicago. That would be nice to have, that would be a good addition we think to our business. It's expected to be out in terms of an RFP later this year and look it's not a must have but we'll certainly have a close look at that. Outside of that, we really feel that the transit business is in great shape and there's no huge desire to go out and put too many other markets into it right now.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC
Q

And who is the transit business right now in Chicago?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.
A

It's company called Intersection.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC
Q

Okay. Why don't I stop there for a few minutes to see if there's anything from the audience. And if not, I've got a bunch more questions to go with. Right here in the third row.

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Q

So how do you view the transit business in terms of the length of contracts. Just how do you guys think about the fact that it's not a permanent business if you own, you've got to keep rebidding it?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

Yeah. That's municipality sort of contracts worldwide, it's sort of always been that way. At one stage there was a tendency for contract lengths to start declining, but laterally under reverses happened. So we now have, for example, the MTA. We renewed it with the 10 plus 5. So effectively that's a 15-year deal. I mean I think very little – very few things in life are forever and 15 years feels pretty – it's a pretty good runway.

The other point is that, for the most part, not always but for the most part, the capital in these contracts is paid for by the municipality, by the transit authority. New York is a good – it's a good and it's a bad example. It's a somewhat complicated contract whereby we pay the upfront and then they pay it back to us over time through foregone revenue share, but if you think about it in terms of sort of a capital-employed business, actually it's a great business compared to billboards because there's very little capital that we have to deploy.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

Just staying on the transit, you mentioned sort of the 10 years plus 5 years, so the 15-year life of the MTA, how does that compare to some of the other recent transit deals you've signed?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

Really very, very similar. I think San Francisco was 10 plus 2 years, I think something like that. Here in Boston, that's a 5, 5 and 5 years so it's another potential 15-year term. So yeah pretty much in line, Alexia.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

And on the advertising side, still staying on transit, the visibility tends to be a little bit lower right, because the contracts are more short term. How do you stay comfortable with that?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

So our transit business is more nationally disposed and national business tends to be relatively, for the most part, shorter duration. You do have some exceptions. So you have Apple, for example, that take a number of our locations for the year as a whole, but for the most part, national advertisers are buying in four-week slots and they tend to book later than local. Our local business is underpinned by sort of 20% of our boards that we sell on a permanent basis. So you always have that visibility in the billboard business that you don't get to quite the same extent in transit.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

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And in the past, you've mentioned the – maybe you expected data management platform would have more of an impact in some of the areas you're sort of interested in investing more in. I guess how should we think about the progress you developing these capabilities?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

So we have a beta version out of something called Smart Scout, which effectively is part of that tech stack. It's the piece that sits right in the middle of the end-to-end platform. And what that now gives you the ability to do? You can go into it through the user interface and say, right, what are the top hundred boards in the U.S. that skew highest to – so it doesn't matter, say, women that earn more than $200,000 a year. What are the top 100 boards?

So you can go in, okay, it'll push those boards out. It'll tell you it's all coming from – I always go for my cell phone but I haven't got it with me but it's all coming from carrier data. So basically as the devices go past our boards, we know from the carriers effectively where they live and where they work and what they do and everything else. And that's then – we use Acxiom Personicx clusters, which is the way a number of digital agencies think about audiences. So you can go and say, right, what are those 200 boards? Are they available? What's the budget? How much do they cost bang? So you can do that today. Okay. And we've got that in a beta version now.

What I can't do right now, I haven't linked that to our backend, so you can't contract them. Okay. You can check their availability. You can check the price. You can say which boards they are. And that's the piece that we'll be working on as we go forward, so that it becomes, if you like, an end-to-end process. You can then contract those boards. And as I say, if they were digital boards in the future, you then potentially would be able to send copy down there in a somewhat real-time way.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

And how should we think about M&A in terms of smaller tuck-in acquisitions? Are you still focused primarily on domestic billboard assets in the top TMAs?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

Yeah. The great thing about the transit business is that you can go out and win business organically. With regards to the billboard business as we know, there are much higher barriers to entry which is for us a good thing, but it does mean that in terms of building business that we'd be more likely to acquire and we develop as much as we can organically, but it would be acquisition. There's around about 30% of just a bit more than that if the market that is still unconsolidated. There's a good piece of that that isn't that relevant to us because it's a market that we don't particularly want to be in, but there's also some real nuggets in there that we can add on to – layer on to our business that either give us improved coverage in certain areas, or that we can leverage because we have a significant national sales force that perhaps – that the current owner of those assets didn't have because maybe they just sell more locally, they don't have that national representation. So, while the multiples can be sometimes feel quite high as you're going into purchase say double-digit multiples, by the time we can layer on top, the synergy that we can develop on those assets with our national sales force and also just some of the other smart things you can do in terms of taking some of the operational cost out.

They can be attractive and we have utilized the ATM that we have in place in a small way and it's sort of relatively small handful of million dollars to undertake a couple of smart acquisitions; one in Atlanta. We are closing over the

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next few days on something that's mainly in the Bay Area, and it's a good thing and we'll keep hopefully going out and being smart and selective and take part in the further consolidation of the industry.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

I was going to ask you about your thoughts on the sort of broader consolidation in the industry as a whole. There's been speculation of sometime about consolidation among the larger players. I think we sometimes hear about PE firms' interested, which something I think we've heard about JCDecaux kind of on again, off again, on again, off again for many years, interested. I guess how do you see – any kind of broader thoughts on sort of bigger consolidation?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

I guess the focus has changed a bit this year with the emergence of Clear Channel from the sort of bankruptcy process and the change of affected shareholders there. We have the tax piece falling away on our fifth year anniversary sometime in July. So a number of external commentators have said, hey, is this going to be the catalyst for change in the out-of-home market? Personally, I'm not so sure. As you intimated, JCDecaux have, at many times in the past, sort of shown interest in making bigger investments in the U.S., and maybe they will, but I don't know that – I certainly wouldn't know that to be the case.

And from Clear Channel's point of view, I think right now, I suspect that they would be keener to find some other way of getting their balance sheet back on track rather than selling assets because who would want to sell an out-of-home asset right now? The market's doing great, pretty much the world over. So I imagine that they would take a slightly different approach to how they reorganize their balance sheet. So I'm not as – I don't have the same conviction as some people I look at the market and think, hey, this is going to be the year when everything changes.

Alexia S. Quadrani
Analyst, JPMorgan Securities LLC

Q

We're almost out of time, let me just squeeze in one more. I guess the stock has done very well following your strong results, but still a bit of a discount to some of your peers. I guess, what is Wall Street missing?

Jeremy John Male
Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

A

Well, when we – you know if we look at the look at the business over the last few quarters, I think what we've now demonstrated is that we can actually get some really good consistent growth in the business. I think that if we can show another a couple of quarters of that growth, I think that will be helpful. In our balance sheet if you think about some of the other differences in valuation between us and our peers, we have – our leverage is 4.7 times. We feel very comfortable with that leverage. We're growing nicely even with the investments, maybe a couple hundred or $250 million more investment that we're likely to make in the MTA over the next couple of years. With EBITDA growth, there's no reason why that shouldn't stay the same or maybe start ticking down. So we feel very good about that. And yeah, just generally we fundamentally believe that we've got the assets for the medium term that they're going to grow faster than the rest of the market. So hopefully that will come through in our performance over time.

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Alexia S. Quadrani

Analyst, JPMorgan Securities LLC

Great. Well, we are out of time. Thank you very much.

Jeremy John Male

Chairman & Chief Executive Officer, OUTFRONT Media, Inc.

Thanks Alexia. Thanks everyone.

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